

REPORT OF THE APEC AUTOMOTIVE STEERING COMMITTEE  
TOKYO, 25-26 OCTOBER 1999

The APEC Automotive Steering Committee met in Tokyo on 25 and 26 October 1999 to take forward work under the APEC Early Voluntary Sectoral Liberalization initiative on the automotive sector. The Steering Committee is the organizing body for the APEC Automotive Dialogue, which is the principal forum bringing together senior officials and industry representatives to discuss key challenges facing the sector.

The Committee expressed its appreciation to Japan for hosting the meeting.

The Committee met to review the outcomes of the first APEC Automotive Dialogue, which was held in Bali, Indonesia on 26 and 27 July 1999, and to commence preparations for the next Dialogue to be held in Manila. The efforts of the ASEAN Automotive Federation in organizing the Bali Dialogue were noted with appreciation.

The Committee Chair provided an update on the status of the APEC Economy Automotive Profiles and encouraged economies to develop outstanding profiles and to send them electronically to the APEC Secretariat ([CW&mail.apecsec.org.sg](mailto:CW&mail.apecsec.org.sg)) in order to be published on the APEC Automotive Dialogue website. Five economies' profiles have been published on the website to date.

Korea indicated that it had recently updated the automotive elements of its APEC IAP and that accordingly it would provide appropriate amendments to the Chair's paper summarizing economies' commitments, distributed for comment at the Bali Dialogue. Japan reported that it would be updating the automotive elements of its IAP in 2000. The Committee noted that APEC Ministers in Auckland had agreed that the IAP mechanism could be improved and that a program of work would be carried out in 2000. The United States, as the current APEC CTI Chair, undertook to investigate how the Automotive Dialogue could contribute to the APEC review of IAPs in 2000.

The Chair distributed a report prepared by the APEC Secretariat on the funds contributed by participating economies towards the cost of running the Bali Dialogue. It was noted that the APEC Secretariat was now holding US\$23,830.94 ready for disbursement. The ASEAN Automotive Federation presented an itemized account for US\$18,236.00 (net of Indonesia's contribution), being the outstanding balance to be paid for the Bali Dialogue. The Committee agreed that the Chair should authorize the reimbursement of this amount from the monies being held by the APEC Secretariat, and that the remaining balance should be held to help offset the cost of future APEC Automotive Dialogue and Steering Group activities.

The Chair reported on the outcomes of the recent APEC Leaders and Ministers meetings in Auckland and reviewed the progress made on the various work programs underway on specific issues - intellectual property rights, customs issues, effective automotive policies, standards, traffic congestion and environmental issues, and assistance to automotive suppliers.

On intellectual property rights, the Committee received a detailed draft questionnaire prepared by JAMA. It was agreed that participating economies should make comments on this draft by 15 November 1999 and also register with JAMA a single coordinating government contact point for this issue by that date. JAMA will distribute a final revised questionnaire via these registered contacts by 25 October 1999 for completion by governments and interested individual companies by 31 December 1999. Completed questionnaires are to be returned to JAMA by 31 January 2000. JAMA will collate the survey results ahead of the next Steering Committee meeting and report these to the next APEC/IPEG meeting on 3 March 2000. It was expected that the IPEG would report on this issue to the next Automotive Dialogue.

- On Customs issues, the Committee decided to extend the deadline for receipt of responses to 15 December 1999 in view of the limited number of responses that had been received to date by Canada, the coordinator of this issue. The Committee also agreed that each economy would advise Canada of a single coordinating government contact point for this issue by 15 November 1999.
- On effective automotive policies the Committee received a draft paper prepared by the Australian Federal Chamber of Automotive Industries (FCAI) in consultation with several other industry bodies. This paper presents a list of macro and micro economic policy issues, together with barriers to growth, affecting the automotive industry. It was agreed that this paper would be revised ahead of the next Steering Committee meeting, taking into account written comments submitted by JAMA and incorporating the views of any other industry bodies.
- On international automotive standards, the Committee received a proposal by the Automotive Trade Policy Council (ATPC) on supporting and expanding the development of automotive regulatory harmonization among APEC member economies. The first stage of this is an addition to the existing APEC Automotive Dialogue webpage to serve as a "one-stop-shop" for information on automotive standards harmonization and to summarize developments in the automotive standards arena in a manner that is easily understood by non-experts. The second stage is for the Automotive Dialogue to develop and propose action-oriented recommendations. The Committee noted its support for this proposal and undertook to forward comments to the coordinator by the end of November. The Chair noted the importance of closely coordinating with the existing APEC Transportation Working Group - Road Transport Harmonization Project (RTHP). Japan noted that the next RTHP meeting will take place on 8 November 1999 in Hong Kong and that this proposal should be reported there.

On traffic congestion and environmental issues, the Committee received a detailed draft questionnaire prepared by the Japan Automobile Research Institute on behalf of JAMA. Participating economies were invited to make comments on this draft by 15 November 1999 and also to register with JAMA a single coordinating government contact point for this issue by that date. JAMA will distribute a final revised

questionnaire via these registered contacts by 30 November 1999 for completion by governments by 15 January 1999. JAMA will collate the survey results, including any relevant additional information received, into a report to the next Automotive Dialogue. The objective of this initiative is to develop a future ECOTECH project. The United States offered assistance in developing a concrete agenda proposal for traffic congestion and environment for the next Automotive Dialogue.

On assistance to automotive suppliers, the United States reported that it had circulated the draft of a paper to a broad group of suppliers (the Supplier Group), based on the automotive supplier panel at the Bali Dialogue. The paper contains recommendations to assist the recovery and development of the ASEAN suppliers. The paper is to be finalized by the end of November 1999 and forwarded to the Automotive Steering Committee Chair for distribution to participants. The report will also contain recommendations for the draft agenda of the second Automotive Dialogue, including any related funding. ASEAN economies requested vehicle manufacturers to consider a mission, to take place in ASEAN. This mission will involve ASEAN based purchasing and production experts from the vehicle manufacturers and Tier one and two suppliers from ASEAN. The purpose of the mission would be to explore ways for the manufacturers to assist ASEAN suppliers, and help global manufacturers understand how to include local suppliers in regional manufacturing strategies.

The Committee heard a presentation by the PECC ASEAN automotive project team on its recent research into automotive trade flows within ASEAN. These results, together with further information on the project, can be found on the Internet at [www.satmp.org](http://www.satmp.org). The Committee noted that the project team would convene a major meeting in Manila on the day before the next Dialogue to present and discuss the project's conclusions.

Concerning the next Dialogue in Manila, the Committee agreed that this should be held over 6-8 April 2000 at the Makati Shangri-la Hotel. It was further agreed that, in order to facilitate discussion, the substantive part of the Dialogue should extend for two full days with a further half-day being allocated to finalising the Dialogue report by a small group of experts. It was accepted that not all participants would need to be present for the adoption of this report. The Philippines will prepare costing estimates for the various elements of the Dialogue and distribute these as soon as possible to participants for consideration. The Committee took note of an offer by industry associations in developed economies to assist in meeting any advanced payments that might be required.

The Committee Chair drew participants' attention to a non-paper prepared by the United States, outlining possible elements for inclusion in the agenda for the next Dialogue. She called on all participants to consider the structure and content of the Dialogue agenda and to pass their detailed proposals to her by the end of November 1999. The Chair will then prepare a draft agenda for the Dialogue for consultation and consideration intersessionally. The draft agenda would be finalised and endorsed by the Steering Committee at its next meeting.

With respect to its next meeting, the Committee agreed that this should be held over 23-24 February 2000. The Steering Committee Chair will hold further consultations with relevant parties to determine the venue for this meeting.